

Message Text

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ACTION IO-03

INFO OCT-01 SS-14 ISO-00 NEA-07 EUR-08 ORM-01 DHA-02 L-01

SP-02 CIAE-00 INR-05 INRE-00 SSO-00 NSC-05 NSCE-00

IOE-00 DODE-00 PM-03 OMB-01 TRSE-00 ABF-01 /054 W

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O R 011155Z SEP 75

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC IMMEDIATE 5806

INFO AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMEMBASSY ABU DHABI

AMEMBASSY DAMASCUS

AMEMBASSY JIDDA

AMEMBASSY MUSCAT

AMEMBASSY TEL AVIV

USMISSION USUN NEW YORK

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

C O N F I D E N T I A L SECTION 1 OF 2 AMMAN 6643

LIMDIS

E.O. 11652: GDS

TAGS: UNRWA, JO, US

SUBJECT: UNRWA SITUATION

1. SUMMARY: PRIME MINISTER RIFAI IS DEEPLY DISTURBED BY MESSAGE HE HAS RECEIVED FROM UNRWA COMMISSIONER SIR JOHN RENNIE STATING THAT SERIOUS CUTS IN UNRWA SERVICES AND EDUCATION MUST BEGIN IMMEDIATELY BECAUSE OF CURRENT \$13 MILLION BUDGET DEFICIT. RIFAI ASKED URGENTLY FOR US SUPPORT TO: (A) GET RENNIE TO HOLD OFF CUTS FOR ANOTHER FEW WEEKS; (B) TO DO WHATEVER IT CAN TO PROVIDE AN INCREASED CONTRIBUTION IMMEDIATELY; (C) TO DISCUSS THE
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MATTER URGENTLY WITH THE EEC COUNTRIES WHO HAVE PROMISED,

BUT FAILED TO INCREASE THEIR REGULAR CONTRIBUTION; AND (D) USE WHATEVER INFLUENCE IT HAS IN THE UNTIED ARAB EMIRATES TO GET THEM TO MAKE A CONTRIBUTION WHICH HAS BEEN PROMISED. I GAVE RIFAI IN PARTICULAR NO REASON TO ASSUME (B) WOULD BE POSSIBLE. I TOLD HIM I WOULD REPORT HIS REQUESTS AND SEEK RESPONSE. END SUMMARY.

2. LATE EVENING SEPTEMBER 30 PRIME MINISTER RIFAI CALLED ME AT HOME AND TOLD ME HE WOULD LIKE TO TALK URGENTLY ABOUT UNRWA SITUATION. I MET HIM MORNING OCTOBER 1. HE INFORMED ME THAT UNRWA COMMISSIONER GENERAL JOHN RENNIE HAD BEEN IN TOUCH WITH JORDAN AND SAID THAT, BECAUSE OF CURRENT \$13 MILLION BUDGET DEFICIT, UNRWA WOULD BEGIN IMMEDIATELY TO CUT SERVICES. RENNIE APOLOGIZED FOR NOT HAVING FORCED THE AUSTERITY MEASURES SOONER SAYING HE HAD BELIEVED AND GONE ALONG WITH RIFAI AND OTHERS IN NOT MAKING CUTS THIS SUMMER IN THE HOPE THAT ADDITIONAL BUDGET CONTRIBUTIONS FROM ARAB STATES WOULD BE FORTHCOMING.

3. RIFAI SAID THE ISSUE AS ALWAYS HAS MOST SERIOUS CONSEQUENCES FOR JORDAN. HE EMPHASIZED THAT AT THE PRESENT TIME IT IS EVEN MORE DIFFICULT, CONNECTING THE CUTS WITH ASSUMPTIONS WHICH WOULD BE MADE IN THE ARAB WORLD THAT FOLLOWING THE SINAI ACCORD THE NEXT MOVE FROM THE WEST AND THE US IS TO BREAK LOOSE FROM THE PALESTINIAN QUESTION. (COMMENT: RIFAI OBVIOUSLY WAS STRAINING TO PICK UP ALL POSSIBLE ARGUMENTATION TO SUPPORT HIS CASE.) HE PLACES SPECIAL EMPHASIS ON THE FACT THAT JORDAN IS ALWAYS HARDEST HIT BY CUTS IN UNRWA SERVICES. THREE HUNDRED THOUSAND FAMILIES REPRESENTING OVER ONE QUARTER OF THE COUNTRY'S POPULATION RECEIVE SOME RATION SUPPORT. THERE ARE 124,000 STUDENTS AND 3,000 TEACHERS IN THE UNRWA SCHOOL SYSTEM. CUTS IN ALL SUPPORT WILL SEND THEM INTO THE STREETS WITH STRIKES AND POSSIBLE VIOLENCE, AND JORDAN HAS NO WAY, WITH THE POSSIBLE EXCEPTION OF RATION SUPPORT, TO TAKE THIS BURDEN ON ITS OWN SHOULDERS.

4. RIFAI SAYS THE PRINCIPAL PROBLEM IS TO GET THROUGH UNTIL THE UN DEBATE ON UNRWA TAKES PLACE IN LATE NOVEMBER OR EARLY DECEMBER. THEN THE UN WILL HAVE TO FACE UP TO THE FACT THAT IT CAN NO LONGER CONTINUE TO PROVIDE FOR

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RESOLUTIONS OF RINGING SUPPORT FOR CONTINUED UNRWA ACTIVITIES ON THE ONE HAND AND FAILING TO PROVIDE FOR THE UNRWA BUDGET ON THE OTHER. HE NOTED THAT \$50 MILLION BUDGET DEFICIT IS PROJECTED FOR NEXT YEAR.

5. I QUESTIONED HIM FURTHER ON WHAT HE THOUGHT MIGHT HAPPEN AT THE UN WHICH HAD AS A MATTER OF TRADITION TAKEN

THE POSITION YEAR AFTER YEAR WHICH HE
HAD JUST CRITICIZED FOR ME. HE SAID THIS YEAR WE FACE
A DIFFERENT SITUATION. THE ARABS HAVE FINALLY DECIDED
TO CONTRIBUTE AND ON THAT BASIS HE THOUGHT THEY COULD
BE PERSUADED TO DROP THEIR OPPOSITION TO INCORPORATING
THE UNRWA BUDGET INTO THE REGULAR UN BUDGET. SIR JOHN
RENNIE FOR TOO LONG HAD TO SPEND ALL OF HIS TIME PLEADING
FOR FUNDS TO MEET UNRWA NEEDS. IF THE BUDGET WERE
REGULARLY SCHEDULED, IT SHOULD BE POSSIBLE TO AVOID
THIS DIFFICULT AND HUMILIATING TASK. I ASKED IF HE WOULD
TAKE THE LEAD WITH THE ARABS IN MAKING THIS KIND OF
PROPOSAL. HE REACTED IMMEDIATELY IN NEGATIVE FASHION
BUT LATER SAID THAT IF THE US, WHICH MIGHT SAVE MONEY IF ITS
CONTRIBUTION WERE REDUCED TO ITS STANDARD SHARE OF THE
UN BUDGET, WOULD ALSO WORK IN PARALLEL, HE WOULD
AGREE TO CONSIDER SUCH A MOVE ON THE PART OF JORDAN FAVORABLY.

6. I QUESTIONED HIM ON THE CURRENT SITUATION. HE SAID
HE HAD GONE TO PRINCE FAHD OF SAUDI ARABIA AND ASKED HIM TO GET
\$10 MILLION. THEY HAD PUSHED WITH THE EMIRATES AS MUCH AS THEY
COULD AND HAD GOTTEN NOWHERE. THEY HAD ASKED THE SULTAN
OF OMAN TO RECEIVE SIR JOHN RENNIE, BUT HE REFUSED ON
THE GROUNDS THAT IT WAS RAMADAN AND IT WAS CLEAR THAT HE
KNEW WHAT WAS COMING AND WAS AVOIDING THE APPROACH FOR FUNDS.

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INFO OCT-01 SS-14 ISO-00 NEA-07 EUR-08 ORM-01 DHA-02 L-01

SP-02 CIAE-00 INR-05 INRE-00 SSO-00 NSC-05 NSCE-00

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FM AMEMBASSY AMMAN

TO SECSTATE WASHDC IMMEDIATE 5807

INFO AMEMBASSY BEIRUT

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C O N F I D E N T I A L SECTION 2 OF 2 AMMAN 6643

LIMDIS

7. RIFAI SAID THAT HE WILL BE IN TOUCH WITH ASAD THIS AFTERNOON AND WILL TRY TO GET SYRIANS TO REINFORCE THE GOJ REQUEST FOR FUNDS IN THE ARAB WORLD, PARTICULARLY WITH THE EMIRATES AND KUWAIT. BUT HE STRESSED THAT HE NEEDS TIME AND URGED THE US TO MAKE A SMALL CONTRIBUTION OF \$4 OR \$5 MILLION TO APPROACH THE EEC AGAIN FOR THEIR PROMISED ADDITIONAL CONTRIBUTIONS WHICH HAD NEVER MATERIALIZED AND MOST IMPORTANTLY TO GET SIR JOHN RENNIE TO HOLD OFF INSTITUTING CUTS IN SERVICES UNTIL WE ALL HAD ONE MORE CHANCE TO SEE IF WE WOULD GET TOGETHER ENOUGH MONEY TO SEE US THROUGH TO THE PERIOD OF THE UN DEBATE. I TOLD RIFAI THAT WE HAD ALREADY NEARLY DOUBLED OUR REGULAR CONTRIBUTIONS AND I SAW LITTLE HOPE OF ADDITIONAL FUNDS FROM THE US. I PROMISED TO REPORT
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HIS REQUESTS AND SEE AN ANSWER FOR HIM AS SOON AS POSSIBLE.

8. COMMENT: WHILE THIS SORT OF A CRISIS HAS BECOME ALMOST A QUARTERLY AFFAIR, ITS CONSTANT OCCURRENCE SHOULD NOT MINIMIZE THE IMPORTANCE OF ITS IMPACT HERE IN JORDAN WHERE PERHAPS OVER FIFTY PERCENT OF THE POPULATION IS PALESTINIANS AND WHERE THE INTERNAL DISSATISFACTION CAUSED BY THE CUTS COULD BE ALMOST AS SERIOUS AS RIFAI PREDICTS. RIFAI'S WILLINGNESS TO TRY FOR ESSENTIAL CHANGES IN THE FUNDING ARRANGEMENTS FOR UNRWA MATCHES THE EFFORTS ON WHICH HE TOOK THE LEAD WITH THE ARAB LEAGUE IN GETTING A REVERSAL OF THE ARAB POLICY ON FUNDING. WHILE HIS IMMODESTLY IN CLAIMING FULL RESPONSIBILITY FOR THE SAUDI ARABIAN CONTRIBUTION IS SUBJECT TO QUESTION WE HAVE NO DOUBT THAT HE WILL WORK HARD ON ASAD AND THAT HE KNOWS THAT THERE HAS BEEN A CHANGE IN PLO ATTITUDES TOWARD UNRWA FUNDING AND THAT ASAD MIGHT BE HELPFUL ALSO ON THIS ONE.
END COMMENT.

9. ACTION REQUESTED: AN EARLY REPLY FOR RIFAI ON REQUEST PARAGRAPH 1) FOR US SUPPORT AND ASSISTANCE.
PICKERING

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Message Attributes

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